CALL TO ORDER/PLEDGE OF ALLEGIANCE

President Anglace called the Special Meeting of the Board of Aldermen to order at approximately 7:10 p.m. All those present rose and pledged allegiance to the Flag of the United States of America.

ROLL CALL

Alderman John F. Anglace, Jr., President – present
Alderman Eric McPherson - present
Alderman Stanley Kudej – present
Alderman Finn - present
Alderman Anthony Simonetti – not present
Alderman Lynne Farrell – present
Alderman Noreen McGorty – not present
Alderman Capra - present

Also in Attendance:

Representatives from Fuel Cell Energy Services

AGENDA ITEMS

1. SUNNYSIDE SCHOOL ROOF REPLACEMENT

Alderman McPherson MOVED to rescind the approval and authorization for the City to enter into an agreement between the City of Shelton and Allied Restoration Corporation for the Sunnyside Roof Project passed by the Board of Aldermen at the September 10, 2015 meeting under Item 9.4 funding for Sunnyside Roof Project.

Alderman McPherson MOVED to approve the agreement between the City of Shelton and the Imperial Company, Restoration Contractor, Inc. for the replacement of the Sunnyside Roof and authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate the same.*

SECONDED by Alderman Kudej.
Discussion:

Alderman Finn: Back on September 10, 2015, we had appropriated $1,036,000 for funding to come out of the undesignated general fund surplus for this project. It was my understanding that the bid came in at $1,188,000.

Alderman Anglace: Let me give a little background on this.

Alderman Finn: I am just saying that we had to revisit the motion for the amount of money that we are approving to come out of the general fund surplus at the same time.

Alderman Anglace: First, I want you all to know that this was a quote, cooperative effort between the City and the Board of Education. The Superintendent of Schools, the Finance Director for the Board of Education, the Finance Director for the City, the Mayor, myself, others and plus the State of Connecticut. We were talking to the state and we have developed the motion and we ran it by the state. What the state pointed out to us was that on September 10, 2015, we had appropriated much too much money. They said, all we have to appropriate is our share of the cost of the roof, which is approximately 60% of the total cost. The total cost came out to be $1,188,000, so the state recommended to not spend that money, but more than enough to cover the project; leave it and pass it through and make up a new ED049. The Finance Director of the school system filed it with them, and the state said to approve this motion and we are all set.

Alderman Finn: Alderman Anglace, just for public record because people are going to come back and ask how much the roof cost, I just want to read this again for public record:

“The Sunnyside Roof Project in the amount of $1,036,000, with funding to come from the undesignated general fund surplus”.

Alderman Anglace: I think you are making a good point. We definitely want the public to understand. The state will appropriate as we go their share.

Alderman Finn: I understand what you are saying.

Alderman Anglace: We will only have to come up with our share, and that is what will only come out of the general fund surplus. Very good points.

A voice vote was taken and the motion passed unanimously.
2. FUEL CELL ENERGY SERVICES FOR SHELTON HIGH SCHOOL

Alderman McPherson MOVED to approve the pro-forma agreement between the City of Shelton and Doosan Fuel Cell America, Inc. (Doosan) Total Energy Connections, LLC for fuel cell energy services to provide power to Shelton High School.

Further authorize Corporation Counsel and Mayor Mark A. Lauretti to formalize said agreement.

Further authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate same.

SECONDED by Alderman Kudej.

Discussion:

Alderman Finn: Pro-forma; that basically means financial so the financial agreement that has not been reached.

Alderman Anglace: Pro-forma as I understand it, is that it is a standard agreement and it needs to be tweaked with the specifics. We are authorizing both the Mayor and Corporation Counsel to finalize the agreement with the gentlemen from Doosan Corporation.

Alderman Finn: It does deal with finances and the finances are unknown; that is what I am looking for. What is the cost of the project?

Alderman Anglace: There is no cost to the project. Believe it or not, there is no cost to the project. They are paying for the full cost of the installation, the full cost of maintenance, finance and everything else. All we are going to do is supply placement to install the fuel cell on our property, and annually we will have an electric bill that will be $100,000 less than it is right now.

Alderman Finn: What would the cost be for the gas?

Doosan Fuel Cell: The gas is included in that pro-forma, so the $100,000 annual savings includes natural gas costs. You have a line item for electric costs for the year, for the PPA. That would go to Constellation, who is actually financing the project, and Doosan is installing it; they are the manufacturer. Then there is a line for natural gas; natural gas is a true commodity and you cannot create long term contracts. We priced out the pro-forma with $4.88, and right now the beauty of renewable energy with this type of fuel cell is that the distribution costs and the transmission costs are stripped out of the natural gas cost from Eversource. Derby High School has a gas turbine over there. Their gas costs this past winter over there, for the 3 months that was run, was $3.46, versus the retail price that you currently pay, which is closer to $10.00 on your current existing contract.
Alderman Finn: What are you warranted on the fuel cell?

Doosan Fuel Cell Representative: The warranty is fully maintained for 20 years.

Alderman Finn: Would the City of Shelton would have to be paying out on a monthly basis for the electricity?

Doosan Fuel Cell Representative: The electricity rate, yes. They would pay their natural gas costs, so they would have a bill for natural gas, a bill for Constellation for the electricity. The combined cost is roughly $100,000 next year. We think it is going to be higher because we priced out natural gas, but we do not know where natural will be in one year from now.

Alderman Finn: Would you be monitoring the fuel cell, so for the maintenance you will already know what needs to be performed?

Doosan Fuel Cell Representative: Yes, Doosan will come out 4 times per year, quarterly, to come and look at it. You are also on the grid, so God forbid if something traumatically happened you are not down. The other benefit is that you now have an emergency shelter in town so if the grid goes down, you have a public emergency shelter; you have heat, electricity, gas, air conditioning, a kitchen, showers, etc.

Alderman Finn: I have solar panels, so it is basically the same as my solar panels.

Doosan Fuel Cell Representative: Yes it is similar to a PPA type of thing. It is also monitored from South Windsor 24 hours per day, so it is always staffed every day of the year.

Alderman Finn: Thank you.

Alderman Anglace: This also has the concurrence and approval from the Board of Education; they signed off on it so when we approve this pro-forma agreement tonight they can proceed.

Alderman Kudej: The savings are strictly for the high school?

Doosan Fuel Cell Representative: Correct. Down the road, originally when I started looking at this project being where you have the middle school right there, you also have the Police Station, the Senior Center and the Ambulance. I was potentially looking at a micro grid opportunity, but when I saw the cost of Shelton High School alone, they will take all of the electricity with that one fuel cell. A micro grid does take a while to get approved and a lot of work needs to go into that so the nice thing about that is once this is implemented the high school is off of the grid, we could look at the financials to see if it would be beneficial to go to a micro grid situation and provide the cost of electricity to those locations. Right now it would take too long to do.

Alderman Anglace: I know you explained the electricity savings, but could you also explain the heating savings.
Doosan Fuel Cell Representative: In the way that heat is generated from the process of generating electricity, that is made available on two closed hot water loops. We will integrate those with your central hot water loop. Also the hot water in the school will be heated by the heat coming off of the fuel cell, which drives a very high overall efficiency of making power and heat.

Alderman Finn: So you do not need a boiler then?

Doosan Fuel Cell Representative: It will take quite a bit of load off the boiler, so it will make it last longer. You will have two gas bills; you have a brand new gas meter for the fuel cell, and you will have your existing gas meter that is basically going to be doing your kitchen. Once we take off the hot water from the boilers, the only thing that you will be using is your kitchen. That will be the only thing that you will be using for gas. The new meter will incorporate the hot water and it is going to be cheaper to run because everything is going to be stripped out of it.

A voice vote was taken and the motion passed unanimously.

3. AGREEMENTS FOR SECURITY UPGRADES FOR VARIOUS SHELTON PUBLIC SCHOOLS

3 A. LONG HILL SCHOOL

Alderman McPherson MOVED to approve the agreement between the City of Shelton and RFJ Associates, LLC DBA Tomlinson Hawley Patterson for labor, services and equipment associated with security upgrades for Long Hill School at 565 Long Hill Avenue.

Further authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate same.

SECONDED by Alderman Finn.

Discussion:

Alderman Finn: Just for the public information, it is not mentioned in the motion. We approved this in the past, with money to come from the undesignated general fund surplus for $290,600 for Long Hill School.

Alderman Anglace: Good observation. Any other observations or questions?

Being none, a voice vote was taken and the motion passed unanimously.
3 B. MOHEGAN SCHOOL

Alderman McPherson MOVED to approve the agreement between the City of Shelton and RFJ Associates, LLC DBA Tomlinson Hawley Patterson for labor, services and equipment associated with security upgrades for Mohegan School at 47 Mohegan Road.

Further authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate same.

SECONDED by Alderman Finn.

Discussion:

Alderman Finn: I would also like to point out that on September 10, 2015, we had appropriated $217,950 to come from the undesignated general fund surplus for this project.

Alderman Anglace: Thank you. Any other observations or questions?

Being none, a voice vote was taken and the motion passed unanimously.

3 C. ELIZABETH SHELTON SCHOOL

Alderman McPherson MOVED to approve the agreement between the City of Shelton and RFJ Associates, LLC DBA Tomlinson Hawley Patterson for labor, services and equipment associated with security upgrades for Elizabeth Shelton School at 138 Willoughby Road.

Further authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate same.

SECONDED by Alderman Finn.

Discussion:

Alderman Finn: Yes, again I would like to point out that on September 10, 2015, we had approved the funding to come from the undesignated general fund surplus in the amount of $217,950 for Elizabeth Shelton School.

For further discussion: since now we appropriated the projects, we are moving forward now and the funding is in place. When are they going to start the projects? When are they going to finalize it?
Alderman Anglace: I cannot answer that; it is a good question but once we do our job then it goes back -- incidentally, I have been told and I am going to pass this on to you, that we have hired a project manager or an equivalent to Bill Banfe, which is going to be Gary DeFilippo. He has building and engineering background, so from here on in he is going to work with the Board of Education and they are going to go forward. So that is a big plus. When we approve this, tomorrow morning they will have the information and notes ready to go. There is nothing further that we need to do, and they could start full speed ahead. The money is appropriated and everything is all set.

Alderman Finn: That is going to make the parents happy and that is what we want.

A voice vote was taken and the motion passed unanimously.

4. ADJOURNMENT

Alderman McPherson MOVED to adjourn at approximately 7:30 pm.

SECONDED by Alderman Capra. A voice vote was taken and the motion passed unanimously.

Respectfully Submitted,

Brittany Gannon

Brittany Gannon
Clerk, Board of Alderman

DATE APPROVED: ______________ BY: ____________________________
Mark A. Lauretti
Mayor, City of Shelton